

House File 557 - Introduced

HOUSE FILE 557
BY COMMITTEE ON LOCAL
GOVERNMENT

(SUCCESSOR TO HF 249)

A BILL FOR

- 1 An Act relating to the establishment, operation, and
- 2 dissolution of rural improvement zones.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 357H.1, subsection 1, Code 2015, is
2 amended to read as follows:

3 1. The board of supervisors of a county with less than
4 twenty thousand residents, not counting persons admitted or
5 committed to an institution enumerated in section 218.1 or
6 904.102, based upon the ~~2000~~ most recent certified federal
7 census, and with a private lake development ~~shall~~ may designate
8 an area surrounding the lake, if it is an unincorporated
9 area of the county, a rural improvement zone upon receipt of
10 a petition pursuant to section 357H.2, and upon the board's
11 determination that the area is in need of improvements.

12 Sec. 2. Section 357H.1, subsection 2, paragraph b, Code
13 2015, is amended to read as follows:

14 *b. "Improvements" means dredging, installation of erosion*
15 *control measures, water quality activities, land acquisition,*
16 *and related improvements, including soil conservation*
17 *practices, within or outside of the boundaries of the zone.*

18 Sec. 3. Section 357H.1, subsection 2, Code 2015, is amended
19 by adding the following new paragraphs:

20 NEW PARAGRAPH. c. "Lake" means a body of water that has a
21 surface area of at least eighty acres.

22 NEW PARAGRAPH. d. "Water quality activities" includes but
23 is not limited to creation or maintenance of grass waterways or
24 wetlands, bank stabilization, watershed protection, activities
25 on lands outside the rural improvement zone which affect water
26 quality within the zone, and any other activity which will
27 improve water quality of a stream, river, or lake.

28 Sec. 4. Section 357H.2, subsection 1, paragraph a, Code
29 2015, is amended to read as follows:

30 *a. The need for the proposed zone, which shall be based*
31 upon a report of a licensed professional engineer prepared not
32 more than two years before the date the petition is filed, and
33 that includes all of the following:

34 (1) Surface area of the lake in acres.

35 (2) Number of acres of land comprising the lake's watershed.

1 (3) Soil classification of the land comprising the lake's
2 watershed.

3 (4) Description of all current land uses within the lake's
4 watershed.

5 (5) Estimate of historical annual silt accumulation for the
6 lake during the twenty years immediately preceding the year in
7 which the engineer's report was completed.

8 (6) Estimate of the amount of silt currently accumulated in
9 the lake.

10 (7) Estimates of annual silt accumulation in the lake for
11 the twenty-year period following establishment of the rural
12 improvement zone.

13 (8) Estimate of remaining space available to the proposed
14 zone in existing detention basins for storage of dredged and
15 removed silt.

16 (9) Estimate of storage space that will be required to store
17 dredged and removed silt from the lake for the twenty-year
18 period following establishment of the rural improvement zone.

19 (10) Assessment of the current water quality of the lake.

20 (11) Assessment of the current need for preventative
21 practices to improve the water quality of the lake.

22 (12) Assessment of the impact preventative practices will
23 have on the water quality of the lake.

24 (13) Estimate of the cost to effectively address erosion
25 control and water quality for the twenty-year period following
26 establishment of the rural improvement zone.

27 Sec. 5. Section 357H.2, Code 2015, is amended by adding the
28 following new subsection:

29 NEW SUBSECTION. 1A. A copy of the report prepared by the
30 licensed professional engineer and used to prepare the petition
31 shall be submitted with the petition under this section.

32 Sec. 6. Section 357H.3, Code 2015, is amended to read as
33 follows:

34 **357H.3 Time of public hearing.**

35 1. The If the petition substantially meets the requirements

1 of section 357H.2, the public hearing required in section
 2 357H.2 shall be held within ~~thirty~~ sixty days of the
 3 presentation of the petition. Notice of hearing shall be
 4 given by publication as provided in section 331.305. Holding
 5 a public hearing pursuant to this section is not dispositive
 6 of the approval or denial of a petition by the board under this
 7 chapter.

8 2. If the board determines that the petition or the
 9 engineer's report does not substantially meet the requirements
 10 of section 357H.2, the board may, within thirty days of
 11 presentation of the petition, request additional information
 12 from the petitioners. The board's request for additional
 13 information shall be limited to the information required under
 14 section 357H.2 that was not contained in the petition or the
 15 accompanying engineer's report. The board shall be limited to
 16 one request for additional information under this section. The
 17 public hearing required in section 357H.2 shall be held within
 18 sixty days of receiving the additional information. Notice of
 19 hearing shall be given in the same manner as required under
 20 subsection 1.

21 Sec. 7. Section 357H.4, Code 2015, is amended to read as
 22 follows:

23 **357H.4 Hearing on petition — action by board.**

24 1. At the public hearing ~~required in section 357H.3,~~
 25 the board may consider the boundaries of a proposed rural
 26 improvement zone, whether the boundaries shall be as described
 27 in the petition or otherwise, and for that purpose may amend
 28 the petition and change the boundaries of the proposed zone as
 29 stated in the petition. The board may adjust the boundaries
 30 of a proposed zone as needed to exclude land that has no
 31 reasonable likelihood of benefit from inclusion in a rural
 32 improvement zone. However, the boundaries of a proposed zone
 33 shall not be changed to incorporate property which is not
 34 included in the original petition.

35 2. Within ~~ten~~ thirty days after the hearing, the board shall

1 establish the rural improvement zone by resolution or disallow
2 the petition. However, the zone shall not include any area
3 which is part of an urban renewal area under chapter 403.

4 Sec. 8. Section 357H.8, subsection 2, Code 2015, is amended
5 to read as follows:

6 2. Certificates may be issued with respect to a single
7 improvement project or multiple projects and may contain
8 terms or conditions as the board of trustees may provide by
9 resolution authorizing the issuance of the certificates.
10 However, certificates, including certificates to refund
11 outstanding certificates under subsection 3, shall not
12 be issued after January 1, 2007, except to refund other
13 certificates as provided in subsection 3 if the maturity
14 date of the certificates would be after the date the rural
15 improvement zone is, at the time of issuing the certificates,
16 to be dissolved by law under section 357H.10.

17 Sec. 9. Section 357H.9, subsection 1, Code 2015, is amended
18 to read as follows:

19 1. a. The board of trustees shall provide by resolution
20 that taxes levied on the taxable property in a rural
21 improvement zone each year by or for the benefit of the state,
22 city, county, school district, or other taxing district after
23 the effective date of the resolution shall, except as provided
24 in this section, be divided as provided in section 403.19,
25 subsections 1 and 2, in the same manner as if the taxable
26 property in the rural improvement zone was taxable property
27 in an urban renewal area and the resolution was an ordinance
28 within the meaning of those subsections. The taxes received by
29 the board of trustees shall be allocated to, and when collected
30 be paid into, a special fund and may be irrevocably pledged
31 by the trustees to pay the principal of and interest on the
32 certificates, contracts, or other obligations approved by the
33 board of trustees to finance or refinance, in whole or in part,
34 an improvement project.

35 b. (1) For fiscal years beginning on or after July 1, 2016,

1 when calculating the amount of taxes subject to the division
2 of taxes in a rural improvement zone established on or after
3 July 1, 2004, if the assessed value of the taxable property
4 in the rural improvement zone used to calculate the amount of
5 taxes under section 403.19, subsection 1, is less than fifty
6 percent of the assessed value of the taxable property in the
7 rural improvement zone used to calculate the total amount of
8 property taxes in the rural improvement zone for the fiscal
9 year in which the taxes are due and payable, the assessed value
10 used to calculate the amount of taxes under section 403.19,
11 subsection 1, shall, notwithstanding any reduction required
12 under section 403.20, be increased for that fiscal year until
13 the amount is equal to fifty percent of the assessed value used
14 to calculate the total amount of property taxes in the rural
15 improvement zone for the fiscal year in which the taxes are due
16 and payable.

17 (2) However, for the period of ten consecutive fiscal
18 years beginning with the first fiscal year in which the zone
19 receives revenue from a division of taxes under this section,
20 the division of taxes authorized under this section shall be
21 calculated subject to the provisions of subparagraph (1),
22 except that any references to fifty percent in subparagraph (1)
23 shall be forty percent.

24 c. For fiscal years beginning on or after July 1, 2016,
25 when calculating the amount of taxes subject to the division
26 of taxes in a rural improvement zone established before July
27 1, 2004, if the assessed value of the taxable property in
28 the rural improvement zone used to calculate the amount of
29 taxes under section 403.19, subsection 1, is less than sixty
30 percent of the assessed value of the taxable property in the
31 rural improvement zone used to calculate the total amount of
32 property taxes in the rural improvement zone for the fiscal
33 year in which the taxes are due and payable, the assessed value
34 used to calculate the amount of taxes under section 403.19,
35 subsection 1, shall, notwithstanding any reduction required

1 under section 403.20, be increased for that fiscal year until
2 the amount is equal to sixty percent of the assessed value used
3 to calculate the total amount of property taxes in the rural
4 improvement zone for the fiscal year in which the taxes are due
5 and payable.

6 d. The board of trustees may enter into an agreement
7 with the board that modifies the allocation of the taxes
8 levied in the rural improvement zone. Such an agreement
9 shall not, however, provide an allocation to the other taxing
10 districts that is less than the amount of taxes resulting from
11 application of paragraphs "b" or "c", as applicable.

12 e. As used in this section, "taxes" includes but is not
13 limited to all levies on an ad valorem basis upon land or real
14 property located in the rural improvement zone.

15 Sec. 10. Section 357H.9, subsection 2, paragraph a, Code
16 2015, is amended to read as follows:

17 a. Each board of trustees that has by resolution provided
18 for a division of revenue taxes in the rural improvement zone
19 during the most recently ended fiscal year shall complete
20 and file with the department of management a tax increment
21 financing report by December 1 following the end of such
22 fiscal year. The report shall be approved by the affirmative
23 vote of a majority of the board of trustees and be prepared
24 in the format and submitted electronically pursuant to the
25 instructions prescribed by the department of management in
26 consultation with the legislative services agency.

27 Sec. 11. NEW SECTION. 357H.9A Annual financial report —
28 audit.

29 1. Not later than December 1 of each year on forms and
30 pursuant to the instructions prescribed by the department
31 of management, the board of trustees shall file with the
32 county auditor an annual financial report showing the rural
33 improvement zone's financial condition as of June 30 and the
34 results of operations for the year then ended.

35 2. A rural improvement zone is subject to annual audit by

1 the auditor of state. In lieu of an audit by the auditor of
 2 state, the rural improvement zone may contract with or employ
 3 a certified public accountant to conduct the audit pursuant
 4 to the applicable terms and conditions prescribed by sections
 5 11.6, 11.14, 11.19, and 11.41. The audit format shall be as
 6 prescribed by the auditor of state. The rural improvement zone
 7 shall pay all expenses incurred by the auditor of state in
 8 conducting an audit under this section.

9 Sec. 12. Section 357H.10, Code 2015, is amended to read as
 10 follows:

11 **357H.10 Dissolution of zone.**

12 1. The Prior to the date required for dissolution under
 13 subsection 2, a rural improvement zone shall may be dissolved
 14 upon the adoption of a resolution of the board of trustees
 15 which specifies that all improvements have been made in the
 16 zone, the need for the zone, as identified under section
 17 357H.2, subsection 1, has been satisfied, and all indebtedness
 18 has been paid.

19 2. a. Unless dissolved by resolution of the board of
 20 trustees under subsection 1, or an extension is approved under
 21 paragraph "b", each rural improvement zone is dissolved on June
 22 30, 2019, or twenty years after the first day of the fiscal
 23 year following the fiscal year in which the zone first receives
 24 revenue from the division of taxes under section 357H.9,
 25 whichever date is later.

26 b. The date required under this subsection for dissolution
 27 of a rural improvement zone may be extended by resolution of
 28 the board adopted prior to the date required for dissolution
 29 under paragraph "a" or a date prior to the date to which
 30 the rural improvement zone was previously extended by the
 31 board under this paragraph "b" or by operation of law under
 32 subparagraph (1). Each extension approved by the board under
 33 this paragraph "b" shall be for a period of twenty years. Prior
 34 to approval of an extension by the board under this paragraph
 35 "b", all of the following requirements shall be met:

1 (1) Not more than forty-eight months nor less than
2 thirty-six months prior to the date required for dissolution,
3 the board of trustees shall file a written request with the
4 board for an extension of the zone's dissolution date. The
5 request shall state the improvements needed in the rural
6 improvement zone beyond the dissolution date otherwise required
7 under this section. The board shall, within ninety days after
8 receiving the request, either adopt a resolution granting the
9 twenty-year extension without further proceedings or notify the
10 board of trustees in writing of the board's intent to review
11 the zone's dissolution date under subparagraphs (2) through
12 (4). The board may, as part of its notice to the board of
13 trustees, request a report prepared by a licensed professional
14 engineer containing all of the information required under
15 section 357H.2, subsection 1. If the board fails to either
16 approve the extension by resolution or notify the board of
17 trustees of the board's intent to review the zone's dissolution
18 date under subparagraphs (2) through (4) within the ninety-day
19 period, the request for a twenty-year extension shall be deemed
20 approved.

21 (2) Following receipt of the board's notice of intent to
22 review and not less than twenty-four months prior to the date
23 required for dissolution, the board of trustees shall, if
24 requested by the board under subparagraph (1), submit to the
25 board a report prepared by a licensed professional engineer
26 that includes the information required under section 357H.2,
27 subsection 1, paragraph "a". If the board determined that the
28 engineer's report does not substantially meet the requirements
29 of section 357H.2 or that additional relevant information is
30 needed, the board may, within thirty days of the date the
31 request was filed under subparagraph (1), request additional
32 information from the board of trustees. The board shall be
33 limited to one request for additional information.

34 (3) Not more than sixty days after receiving the engineer's
35 report required or the additional information requested under

1 subparagraph (2), whichever is later, the board shall hold a
 2 public hearing to determine the need for improvements in the
 3 rural improvement zone. Notice of hearing shall be given by
 4 publication as provided in section 331.305. Holding a public
 5 hearing pursuant to this subparagraph is not dispositive of
 6 the approval or denial of a request for an extension of the
 7 dissolution date by the board under this chapter.

8 (4) Within thirty days after the public hearing, the
 9 board shall either find a need for improvements in the
 10 rural improvement zone and adopt a resolution approving the
 11 twenty-year extension or find that the area is no longer in
 12 need of improvements. If the board fails to either approve or
 13 deny the extension within the ten-day period, the request for a
 14 twenty-year extension is deemed approved.

15 3. Upon dissolution of the zone, all assets shall be deeded
 16 or otherwise transferred to a nonprofit corporation whose
 17 members are property owners of the improvement zone.

18 4. Upon dissolution of the zone, the collection of the
 19 property tax authorized under section 357H.8, subsection 4, and
 20 the division of taxes authorized under section 357H.9 shall
 21 cease immediately.

22 **Sec. 13. NEW SECTION. 357H.11 **Agreements.****

23 Any agreement or other instrument in connection with an
 24 agreement between a board of trustees and a board in effect on
 25 July 1, 2015, relating to the division of taxes under section
 26 357H.9, the dissolution date of a rural improvement zone, or
 27 the criteria used for determining the need for improvements
 28 in the rural improvement zone that is inconsistent with this
 29 chapter shall be null and void. However, nothing in this
 30 chapter shall be construed to prohibit the board of trustees
 31 and the board from entering into an agreement on or after
 32 July 1, 2015, relating to the division of taxes under section
 33 357H.9, the dissolution date of the rural improvement zone, or
 34 the criteria used for determining the need for improvements in
 35 the rural improvement zone, so long as such agreement does not

1 violate the provisions of this chapter.

2 Sec. 14. Section 403.20, Code 2015, is amended to read as
3 follows:

4 403.20 Percentage of adjustment considered in value
5 assessment.

6 In determining the assessed value of property within an
7 urban renewal area which is subject to a division of tax
8 revenues pursuant to section 403.19, the difference between the
9 actual value of the property as determined by the assessor each
10 year and the percentage of adjustment certified for that year
11 by the director of revenue on or before November 1 pursuant to
12 section 441.21, subsection 9, multiplied by the actual value of
13 the property as determined by the assessor, shall be subtracted
14 from the actual value of the property as determined pursuant
15 to section 403.19, subsection 1. If the assessed value of the
16 property as determined pursuant to section 403.19, subsection
17 1, is reduced to zero, or if the reduction in the assessed
18 value of the property as determined pursuant to section 403.19,
19 subsection 1, is limited by operation of section 357H.9,
20 subsection 1, paragraph "b" or "c", the additional valuation
21 reduction shall be subtracted from the actual value of the
22 property as determined by the assessor.

23 EXPLANATION

24 The inclusion of this explanation does not constitute agreement with
25 the explanation's substance by the members of the general assembly.

26 This bill relates to the establishment, operation, and
27 dissolution of rural improvement zones under Code chapter 357H.

28 Current law provides that the population threshold for
29 establishing a rural improvement zone is determined using
30 the 2000 certified federal census. The bill changes that
31 requirement so that the population is determined using the most
32 recent certified federal census.

33 Current Code section 357H.1 provides that a board of
34 supervisors of a county meeting specified population
35 requirements shall designate an area surrounding the lake, if

1 it is an unincorporated area of the county, a rural improvement
2 zone upon receipt of a petition, and upon the board's
3 determination that the area is in need of improvements. This
4 bill strikes "shall" from that provision and inserts "may".

5 The bill also adds a definition of "lake" for purposes of
6 determining eligibility to establish a rural improvement zone.
7 The bill defines "lake" to mean a body of water that has a
8 surface area of at least 80 acres.

9 The bill adds water quality activities to the definition
10 of "improvements". Under Code chapter 357H, the board of
11 trustees may authorize construction, reconstruction, or repair
12 of improvements for the rural improvement zone. Under the
13 bill, "water quality activities" includes but is not limited
14 to creation or maintenance of grass waterways or wetlands,
15 bank stabilization, watershed protection, activities on lands
16 outside the rural improvement zone which affect water quality
17 within the zone, and any other activity which will improve
18 water quality of a stream, river, or lake.

19 The bill provides that as part of the approval process for a
20 rural improvement zone, the petition must include a statement
21 of the need for the proposed zone based upon a report prepared
22 by a licensed professional engineer. The report utilized
23 in preparing the petition must have been prepared not more
24 than two years before the date the petition is filed. The
25 information required to be included in the engineer's report
26 relates to the size of the lake, soil classification, silt
27 accumulation data and estimates, water quality assessments,
28 and cost estimates. The bill requires a copy of the report
29 prepared by the licensed professional engineer and used to
30 prepare the petition to be submitted with the petition.

31 The bill changes the period of time required for holding
32 a public hearing on the petition from within 30 days of
33 presentation of the petition to within 60 days. The bill
34 specifies that holding a public hearing relating to the
35 establishment of a rural improvement zone is not dispositive

1 of the approval or denial of a petition by the board. In
2 addition, the bill provides that if the board of supervisors
3 determines that the petition or the engineer's report does
4 not substantially meet the statutory requirements, the
5 board may, within 30 days of presentation of the petition,
6 request additional information from the petitioners. The
7 board's request for additional information is limited to the
8 statutorily required information that was not contained in the
9 petition or in the accompanying engineer's report. The bill
10 limits the board to one request for additional information.
11 Upon presentation of the additional information, the public
12 hearing must be held within 60 days of receiving the additional
13 information.

14 Current law requires that the board either establish the
15 rural improvement zone by resolution or disallow the petition
16 within 10 days after the required public hearing. The bill
17 changes that period of time to 30 days.

18 The bill strikes the provision which prohibited the issuance
19 of certificates for the payment of a rural improvement zone's
20 improvements and activities after January 1, 2007, and provides
21 that such certificates, including certificates to refund
22 outstanding certificates, may not be issued if the maturity
23 date of the certificates would be after the date the rural
24 improvement zone is to be dissolved, as provided by the bill.

25 Current Code section 357H.9 authorizes rural improvement
26 zones to authorize the use of taxes from a division of taxes
27 (tax increment financing). The bill provides that for fiscal
28 years beginning on or after July 1, 2016, when calculating the
29 amount of taxes subject to the division of taxes in a rural
30 improvement zone established on or after July 1, 2004, if the
31 assessed value of the taxable property in the rural improvement
32 zone used to calculate the amount of taxes under Code section
33 403.19(1) is less than 50 percent of the assessed value used
34 to calculate the total amount of property taxes in the rural
35 improvement zone for the fiscal year in which the taxes are due

1 and payable, the assessed value used to calculate the amount of
2 taxes under Code section 403.19(1) shall, notwithstanding any
3 reduction required due to an assessment limitation (rollback)
4 under Code section 403.20, be increased for that fiscal year
5 until the amount is equal to 50 percent of the assessed value
6 used to calculate the total amount of property taxes in the
7 rural improvement zone for the fiscal year in which the taxes
8 are due and payable. However, for the period of 10 consecutive
9 fiscal years beginning with the first fiscal year in which
10 those zones established on or after July 1, 2014, receive
11 revenue from a division of taxes, the division of taxes is
12 subject to the assessed value adjustment in the bill, except
13 that any references to 50 percent shall be 40 percent.

14 The bill also provides that for fiscal years beginning on
15 or after July 1, 2016, when calculating the amount of taxes
16 subject to the division of taxes in a rural improvement zone
17 established before July 1, 2004, if the assessed value of
18 the taxable property in the rural improvement zone used to
19 calculate the amount of taxes under Code section 403.19(1) is
20 less than 60 percent of the assessed value used to calculate
21 the total amount of property taxes in the rural improvement
22 zone for the fiscal year in which the taxes are due and
23 payable, the assessed value used to calculate the amount of
24 taxes under Code section 403.19(1) shall, notwithstanding any
25 reduction required due to an assessment limitation (rollback)
26 under Code section 403.20, be increased for that fiscal year
27 until the amount is equal to 60 percent of the assessed value
28 used to calculate the total amount of property taxes in the
29 rural improvement zone for the fiscal year in which the taxes
30 are due and payable.

31 The bill authorizes the board of trustees to enter into
32 an agreement with the board of supervisors that modifies the
33 allocation of the taxes levied in the rural improvement zone.
34 Such an agreement shall not, however, provide an allocation
35 to the other taxing districts that is less than the amount of

1 taxes resulting from application of assessed value adjustments
2 required in the bill.

3 The bill provides that not later than December 1 of each
4 year the board of trustees of a zone shall file with the
5 county auditor an annual financial report showing the rural
6 improvement zone's financial condition as of June 30 and the
7 results of operations for the year then ended. The bill also
8 provides that all rural improvement zones are subject to annual
9 audit either by the auditor of state or by a certified public
10 accountant contracted with or employed by the rural improvement
11 zone to conduct the audit.

12 The bill provides that, unless dissolved by resolution of
13 the board of trustees, each rural improvement zone is dissolved
14 on June 30, 2019, or 20 years from the first day of the fiscal
15 year following the fiscal year in which the zone first receives
16 revenue from the division of taxes, whichever is later. The
17 bill further provides that the date required for dissolution
18 may be extended by resolution of the board of supervisors
19 adopted prior to the date required for dissolution or prior to
20 the date to which the rural improvement zone was previously
21 extended by the board of supervisors under the provisions of
22 the bill. Each extension shall be for a period of 20 years.

23 The bill updates language relating to the disposition of
24 property upon dissolution of the zone and specifies that any
25 collection of, or division of, property taxes under Code
26 chapter 357H ceases immediately upon dissolution of the zone.

27 Under the bill, the rural improvement zone's board of
28 trustees must file a written request with the board of
29 supervisors requesting an extension of the dissolution date.
30 The request must state the improvements needed in the zone
31 beyond the dissolution date otherwise required by the bill.
32 Within 90 days after receiving the request, the board of
33 supervisors must either adopt a resolution granting the 20-year
34 extension without further proceedings, or notify the board of
35 trustees in writing of the board's intent to review the zone's

1 dissolution date. The board may, as part of its notice to the
2 board of trustees, request a report prepared by a licensed
3 professional engineer. If the board fails to either approve
4 the extension by resolution or notify the board of trustees of
5 the board's intent to review the zone's dissolution date within
6 the 90-day period, the request for a 20-year extension is
7 deemed approved. The board of supervisors requests additional
8 information from the board of trustees. As part of the
9 board of supervisors' further review of the request, a public
10 hearing must be held within the period of time specified in
11 the bill. Within 30 days after the public hearing, the board
12 of supervisors is required to either find a continued need for
13 the rural improvement zone and adopt a resolution approving the
14 20-year extension or find that the continued operation of the
15 rural improvement zone is not necessary and deny the request
16 for an extension. If the board fails to either approve or
17 deny the extension within the specified period of time after
18 the hearing, the request for a 20-year extension is deemed
19 approved.

20 The bill provides that any agreement or other instrument in
21 connection with an agreement between a board of trustees and
22 a board in effect on July 1, 2015, relating to the division of
23 taxes, the dissolution date of a rural improvement zone, or
24 the criteria used for determining the need for improvements in
25 the rural improvement zone that is inconsistent with this Code
26 chapter shall be null and void. However, the bill provides
27 that nothing in Code chapter 357H shall be construed to
28 prohibit the board of trustees and the board from entering into
29 an agreement on or after July 1, 2015, relating to the division
30 of taxes, the dissolution date of the rural improvement zone,
31 or the criteria used for determining the need for improvements
32 in the rural improvement zone, so long as such agreement does
33 not violate the provisions of Code chapter 357H.